

Osborne County

Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

6/12/2018

Using the most recent IMPLAN data available (2016) adjusted for 2018, 15 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Osborne County economy.¹

These 15 sectors have a total direct output of approximately **\$136.3 million** and support **464 jobs** in Osborne County. Running the model for all 15 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Osborne County Economy						
Impact Type ²	Employment	% Employment	Total Value Added ³	Total Value Added % of Gross Regional Product ⁴	Output ⁵	Output % of Gross Regional Product
Direct Effect	464.2	17.77%	\$24,491,671	17.62%	\$136,284,758	98.04%
Indirect Effect	194.7	7.45%	\$12,681,829	9.12%	\$26,816,188	19.29%
Induced Effect	80.1	3.07%	\$4,844,987	3.49%	\$9,354,479	6.73%
Total Effect	738.9	28.29%	\$42,018,487	30.23%	\$172,455,425	124.06%

As shown in the above table, agriculture, food, and food processing sectors support **739 jobs**, or **28.29%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **\$172.5 million**, roughly **124.06% of the economy**.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 15 agriculture, food, and food processing sectors is approximately **\$42.0 million**, or **30.23% of the GRP**. This indicates that personal income, business income, and taxes generated by these sectors account for **30.23% of the total economy**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:

http://www.implan.com/index.php?option=com_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70

² Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

³ Value added = labor income + indirect business taxes + other property type income.

⁴ GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

⁵ Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **229 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Osborne County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	229.1	\$27,845,167
Grain farming	77.7	\$29,456,383
Animal, except poultry, slaughtering	58.8	\$41,143,426
Wholesale trade	46.2	\$9,522,407
Truck transportation	42.2	\$5,912,401
All other crop farming	20.3	\$1,582,629
Farm machinery and equipment manufacturing	18.3	\$8,563,976
Veterinary services	16.4	\$1,607,442
Real estate	16.1	\$1,166,084
Monetary authorities and depository credit intermediation	13.4	\$2,258,454

The animal, except poultry, slaughtering sector directly contributes approximately **\$41.1 million** to the Osborne County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Animal, except poultry, slaughtering	58.8	\$41,143,426
Grain farming	77.7	\$29,456,383
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	229.1	\$27,845,167
Other animal food manufacturing	8.8	\$11,378,285
Oilseed farming	9.9	\$10,494,982
Wholesale trade	46.2	\$9,522,407
Farm machinery and equipment manufacturing	18.3	\$8,563,976
Truck transportation	42.2	\$5,912,401
Dairy cattle and milk production	6.8	\$2,760,722
Monetary authorities and depository credit intermediation	13.4	\$2,258,454

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Osborne County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	9.9	\$10,494,981.94
Grain farming	77.7	\$29,456,383.24
All other crop farming	20.3	\$1,582,629.35
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	229.1	\$27,845,166.54
Dairy cattle and milk production	6.8	\$2,760,722.29
Poultry and egg production	0.2	\$156,693.88
Animal production, except cattle and poultry and eggs	2.8	\$351,607.31
Commercial hunting and trapping	2.0	\$40,244.45
Other animal food manufacturing	8.8	\$11,378,284.61
Animal, except poultry, slaughtering	58.8	\$41,143,425.72
Bread and bakery product, except frozen, manufacturing	3.4	\$383,371.44
Frozen cakes and other pastries manufacturing	0.2	\$30,934.13
Farm machinery and equipment manufacturing	18.3	\$8,563,976.10
Veterinary services	16.4	\$1,607,442.46
Landscape and horticultural services	9.6	\$488,894.48

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Osborne County, the retail sector was omitted.